
2003-2004 Biennium Financial Plan

Importance of Financial Planning

The County as an institution has multiple partners, including citizens, taxpayers, businesses, employees and other governments. As a major institutional, economic and service force in the region, it is important that the County strengthen its relationships with its partners by adopting clear and comprehensive financial policies.

Clark County is accountable to its citizens for the use of public dollars. County resources should be used wisely to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community's present and future needs.

The 2003-2004 Adopted Budget is intended to serve as the County's financial plan to meet the established policy goals and objectives.

Fund Types

Governmental

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Agency Funds

Proprietary

- Internal Service Funds
 - Enterprise Funds
-

Budget As A Financial Planning Document

Budgets serve a wide variety of purposes. They can serve as policy making tools, management tools, planning tools, and communications devices. Ultimately, however, budgets are financial documents. They should provide a snapshot of the overall financial condition of an entity and of its financial plan for the coming period. This section provides that information. Other sections of the document present the budget in terms of services, programs, and organizational structures. This section focuses on the financial dimension, and is organized around individual funds, revenue sources, and categories of expenditures.

The 2003/2004 Clark County budget is a product of a strategic planning process which, through its statement of fiscal policies and budget objectives, provides a framework for funding decisions.

The 2003/2004 Budget and the Long-Range Plan

The 2003/2004 Adopted Budget contains detailed funding information for the first two years of the long-range planning period. Current funding decisions frequently involve long-term financial implications and commitments. For this reason, it is critical that the budget be developed within the long-range plan to ensure that adequate resources will be available for future needs.

Clark County has extended its financial planning horizon to better plan for future funding needs by:

- Replacing the one year budget cycle with a biennial budget that began for the 1999/2000 period, and
- Developed long-range expenditure forecasts in key areas.

These enhancements effectively double the planning horizon.

Financial Structure of Clark County

Fund Accounting

Like most governmental entities, Clark County organizes its finances on the basis of "funds." A fund is a self-contained, independent financial entity with its own assets and liabilities. Each fund has its own balance sheet and, in effect, is treated as a separate "business" for accounting purposes.

The 2003-2004 budget includes expenditures for 105 funds, ranging from the General Fund (\$206.5 million) to the Park Development Fund (\$10,000). *A description of each fund is provided later in this section, including projected revenue, 2003/2004 adopted budget, beginning balance and ending balance.*

Fund Types

Funds can be classified according to the accounting conventions which apply to them. "Governmental" funds are governed by accounting standards developed specifically for government. "Proprietary" funds are controlled by the same accounting standards which apply to private business. (For more details on this distinction, see Basis of Accounting, below). Within these categories, there are seven fund types (listed on the left).

The "basis of accounting" and the "basis of budgeting" determine when revenues and expenditures are recognized.

Clark County, like most government entities, employs a hybrid basis of accounting termed "modified accrual".

The "basis of accounting" and "basis of budgeting" are the same within each fund type.

Internal (inter-fund) transactions represent non-cash expenditures and non-cash revenue because no cash enters or leaves the County as a whole.

Internal transactions make up 18 percent of the 2003-2004 budget.

The Washington State Budgeting Accounting & Reporting System (BARS) Manual sets forth both general principles of budgeting and detailed procedural guidelines used by Clark County.

Basis of Accounting and Budgeting

The "basis of accounting" and "basis of budgeting" determine when revenues and expenditures are recognized for the purposes of financial reporting and budget control. Accounting on a "cash basis" means that revenues and expenditures are recorded when cash is actually received or paid out. This method is used by many small businesses, but it has limitations which make it unsuitable for larger, more complex organizations. Most larger businesses employ "full accrual accounting," in which revenues are recorded when earned (rather than when received), and expenditures are recognized when an obligation to pay is incurred (rather than when the payment is made). Capital expenses (the costs of acquiring tangible assets) are recognized over the life of the asset, not when the asset is purchased.

Governments typically employ a hybrid basis of accounting termed "modified accrual". Under this system, revenues are recognized when they become measurable and available; expenditures are recognized when the obligation to pay is incurred. However, capital expenditures are recognized at the time of the purchase. This means that governments may experience significant increases and decreases in total expenditures from year to year, because capital expenses tend to be large and unevenly timed. To help explain year to year expenditure trends, governments frequently report capital expenditures separately from operating costs in their budget documents.

Clark County uses modified accrual accounting and budgeting for its governmental fund types, including the General Fund, special revenue funds, debt service funds, and capital project funds. For proprietary fund types, including enterprise funds and internal service funds, the County uses full accrual accounting and budgeting.

Accounting for Internal Transaction

One consequence of fund accounting is the existence of inter-fund transactions, including transfers, internal service payments, loans and capital contributions. These transactions record the movement of money between County funds. Internal (inter-fund) transactions represent non-cash expenditures and non-cash revenue when the County budget is viewed as a whole, because no cash enters or leaves the County.

Internal transactions have the impact of inflating the apparent size of the County budget. The 2003-2004 budget, which totals \$660.1 million, includes \$119.2 million of these internal transactions, or 18 percent. This tends to mask otherwise apparent expenditure trends. The financial information presented later in this section identifies cash and non-cash transactions separately to more clearly display underlying trends.

Washington State Budgeting Accounting & Reporting System

State law empowers the State Auditor to prescribe a uniform chart of accounts and a uniform budgeting, accounting, and reporting system for all local governments in Washington. This system is known as the Budget Accounting and Reporting System (BARS).

Part Two of Volume One of the BARS Manual pertains to budgeting and contains general principles of budgeting and detailed procedural guidelines. These principles and guidelines are reflected in the County's budget process.

Financial Overview

Revenue & Expenditure Overview

The following table summarizes all revenues and expenditures over the eight year period from 1997 to 2004. Revenues are displayed by major source with external revenues shown separately from internal revenues. Expenditures are displayed by major category with external expenditures shown separately from internal expenditures.

It is notable that approximately 18 percent of revenues and expenditures result from internal transactions between Clark County entities. These internal transactions are also referred to as non-cash transactions because no cash enters or leaves the County. They are used primarily to keep track of operating subsidies or charges for internally provided services.

8 Year Revenue and Expenditure Summary (Millions)				
	97/98	99/00	01/02	03/04
	Actual	Actual	Actuals	Projected
Revenue Source				
Property Tax	101.5	122.4	134.5	149.6
Sales Tax	36.8	40.5	43.2	43.4
Other Taxes	29.1	27.5	28.2	32.3
Charges for Service	64.8	66.8	70.9	78.3
Intergovernmental	84.3	98.8	128.0	125.9
Bond Proceeds	29.5	9.8	41.5	-
Other External Rev.	45.8	67.4	43.3	68.7
External Revenue	391.8	433.2	489.6	498.2
Internal Revenue	128.1	105.9	131.4	136.5
Total Revenue	519.9	539.1	621.0	634.7
Exp. Category				
Salaries & Benefits	141.5	160.6	185.4	221.7
Supplies & Services	157.6	167.7	177.4	216.1
Debt Service	25.5	29.0	27.2	29.5
Capital Expenditures	73.8	77.1	98.9	73.6
External Expenditures	398.5	434.5	488.9	540.9
Internal Expenditures	124.6	126.5	127.0	119.2
Total Expenditures	523.1	561.0	615.9	660.1
Annual Surplus (Deficit)	(3.2)	(21.9)	5.1	(25.4)

As shown in the table, expenditures exceeded revenues by \$21.9 million in 99/00, essentially equalled in 01/02 and then budgeted expenditures exceed revenues by \$25 million in 03/04.

This 99/00 reduction occurred primarily in the Road Fund and in two newly created capital project funds. The Road Fund used accumulated local revenue to fund additional transportation projects in 1999 and 2000. The two capital funds were created to track the Juvenile Center Expansion and the purchase of phase II open space land acquisition. In both cases, these represent a use of bond proceeds from a 1998 bond sale. Please see the Debt Summary for a detailed analysis. Expenditures essentially matched revenues for 2001/2002 as the level Road Fund expenditures and capital project expenses decreased over this period. In 03/04, Road Fund capital costs (\$12 million) again pick up using State loans received in 01/02 and the completion of Campus expansion (\$13 million).

A detailed analysis of expenditures and revenues for the current budget cycle and the prior six years is provided later in this section.

Change in Fund Balance

The table below summarizes the 2003/2004 Clark County budget by type of fund. The beginning balances in the first column are estimates developed during the last month of 2002. From the beginning balances, revenues are added and expenditures are subtracted to arrive at the projected ending balance.

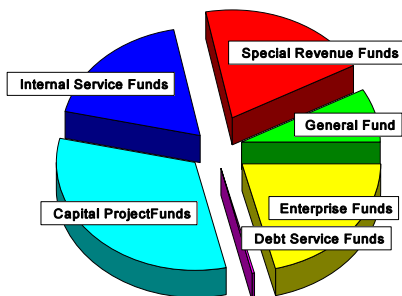
Beginning Fund Balance Estimate \$111.6 Million as of Jan. 1, 2003

Beginning fund balances represent the unexpended financial resources available from prior years.

Ending Fund Balance Projection \$86.2 Million on Dec. 31, 2004

Ending fund balances represent the unexpended financial resources available to the County for future use. They serve a number of purposes such as providing a cushion against financial emergencies, operating liquidity, and the earmarking of funds for future projects.

Ending Fund Balances December 31, 2004



2003/2004 Budget by Type of Fund

	Beginning Balance	Revenues	Expenditures	Ending Balance
General Fund	7,394,078	206,288,574	206,524,084	7,158,568
Special Revenue Funds				
County Roads	13,113,874	106,107,738	118,706,361	515,251
Community Services Funds	9,610,344	80,914,288	77,095,195	13,429,437
Planning and Code Fund	(2,268,158)	24,829,251	26,057,155	(3,496,062)
Special Law Enforcement Fund	396,966	6,849,530	7,199,530	46,966
Clark County Fair Fund	(408,008)	6,185,579	5,647,854	129,717
Permanent Reserve	6,083,624	-	3,000,000	3,083,624
Health Department	1,521,369	29,641,007	29,530,026	1,632,350
Other Special Revenue Funds	3,549,069	19,748,295	21,419,505	1,877,859
Special Revenue Funds - Subtotal	31,599,080	274,275,688	288,655,626	17,219,142
Debt Service Funds - Subtotal	81,569	20,153,280	20,068,976	165,873
Capital Project Funds				
Traffic Impact Fee Funds	1,320,311	4,549,208	4,477,776	1,391,743
CAD/800 MHz System	969,261	448,901	2,780,990	(1,362,828)
Economic Development	353,731	2,610,970	2,610,970	353,731
Parks Dedicated Fund-1/4% REET	12,544,560	6,089,682	5,660,348	12,973,894
Park Impact Fee Funds	4,893,627	4,122,803	4,122,738	4,893,692
Real Estate Excise Tax	4,016,297	5,451,632	6,567,432	2,900,497
Campus Development	10,238,136	3,498,100	13,084,301	651,935
Technology Reserve	1,196,174	2,251,400	2,000,000	1,447,574
Building Construction	1,784,841	4,255,869	3,379,780	2,660,930
Conservation Future-Parks	6,724	3,407,711	3,414,435	-
Other Capital Project Funds	2,547,666	2,215,839	2,835,128	1,928,377
Capital Project Funds - Subtotal	39,871,328	38,902,115	50,933,898	27,839,545
Enterprise Funds				
Wastewater Maintenance & Ops	729,566	15,843,585	14,197,621	2,375,530
Sewer Debt Service Fund	131,317	8,950,722	8,941,507	140,532
Solid Waste	5,073,121	4,535,464	4,784,823	4,823,762
Salmon Creek WWTP Construction	4,800,285	7,480,783	10,079,883	2,201,185
Burnt Bridge Creek	442,944	38,590	-	481,534
Clean Water	7,454,778	9,766,131	9,485,366	7,735,543
Sewer Fund	-	345,489	308,685	36,804
SCWPT Repair & Replacement Fund	328,737	406,825	380,000	355,562
Enterprise Funds - Subtotal	18,960,748	47,367,589	48,177,885	18,150,452
Internal Service Funds				
Equipment Rental & Revolving	5,146,960	19,910,724	18,450,960	6,606,724
Central Support Services	(1,469,260)	11,040,321	11,330,937	(1,759,876)
General Liability Insurance	3,870,828	5,515,037	4,860,084	4,525,781
DP Equipment Repair & Replacement	545,012	3,239,647	3,268,699	515,960
Elections	611,754	2,691,480	3,055,935	247,299
Workers Comp. Insurance	719,150	1,512,780	1,473,866	758,064
Major Maintenance Fund	652,723	29,075	-	681,798
Unemployment Insurance	2,943,794	953,620	720,000	3,177,414
MDC and Radio ER&R	101,100	80,000	80,000	101,100
Retirement/Benefits Reserve	30,691	881,483	912,174	-
BJA Block Grant Trust Fund	112,255	265,000	-	377,255
Commissary Trust Fund	420,727	1,571,000	1,571,000	420,727
Internal Service Funds - Subtotal	13,685,734	47,690,167	45,723,655	15,652,246
Grand Total	111,592,537	634,677,413	660,084,124	86,185,826

The adopted budget schedule, which shows all funds individually, appears in Appendix 1.

Budget by Fund

General Fund Revenue

Property Tax	80,857,442
Sales Tax	32,315,150
Other Taxes	14,394,876
Licenses / Permits	2,345,608
Intergovernmental	18,621,858
Charges for Services	27,694,797
Fines / Forfeitures	6,904,976
Miscellaneous	5,991,790
Other Sources	17,162,077
Total Revenue	206,288,574

General Fund Expenditures

Salaries & Benefits	133,829,468
Supplies & Services	46,253,519
Debt Service	26,792
Capital Expenditures	7,378
Xfers to Other Funds	18,732,627
Internal Services	7,674,300
Total Expenditures	206,524,084
Fund Balance Decrease	235,510

Taxes account for 62 percent of General Fund revenues. Additional sources include intergovernmental revenues, transfers from other funds, fines, interest earnings, license and permit fees, charges for certain services, and indirect costs payments from other departments.

County Funds: Descriptions and Projected Balances

The following describes each County fund, purpose, principal revenue sources, and its overall financial condition for the FY 2003/2004 budget.

General Fund

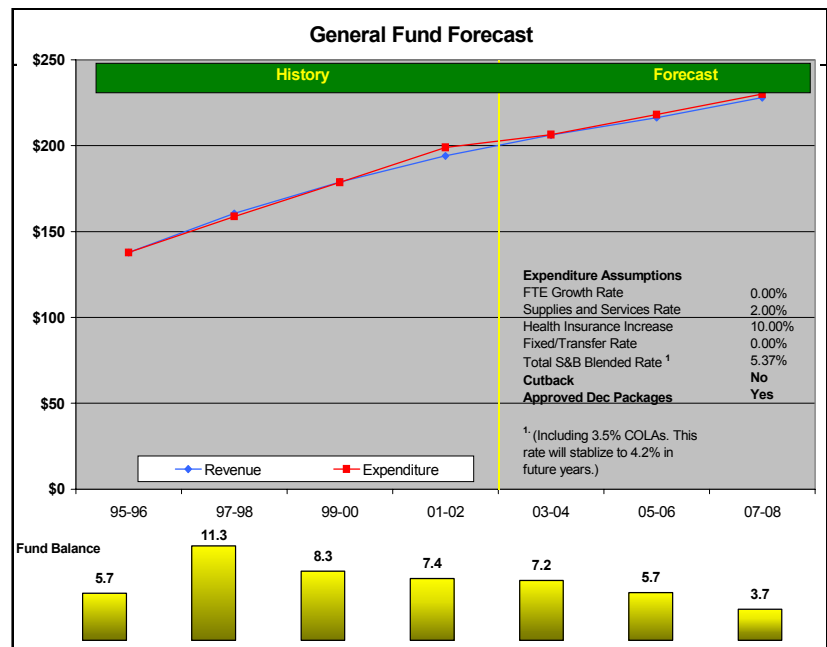
The General Fund is a governmental-type fund used mainly to account for the County's general purpose or "unrestricted" revenues. Like most government entities, Clark County has one general fund.

General Fund

Beginning Balance	\$7,394,078
Revenues	206,288,574
Expenditures	206,524,084
Ending Balance	7,158,568

The General Fund is the County's largest single fund, and serves as the primary operating fund. Revenues that the County is not required to account for in a separate fund are deposited in the General Fund.

Broadly speaking, the General Fund accounts for the County's unrestricted resources. General Fund revenues, with a few exceptions, can be used for any appropriate public purpose and, as a result, requests for General Fund resources typically far exceed the amount available. The County's financial stability, and its ability to maintain service levels, depend heavily on a quality forecast of General Fund revenues and expenditures. A six year forecast was first developed in 1998 and continues to serve as the tool for developing budgets.



The County Commissioners have allowed only limited growth of General Fund expenditures in 2003/2004 to more closely match the projected growth in revenue. The decreasing fund balance (yellow bar) in the later years of the forecast may signify a need to further restrict the growth in expenditures after 2004. Updates to the General Fund forecast are made annually. These identify emerging issues affecting either General Fund revenue or expenditures.

Special Revenue Funds

Special Revenue funds are governmental-type funds which account for revenues collected for specific, restricted purposes. The County has 32 such funds.

County Road Fund

Beginning Balance	\$13,113,874
Revenues	106,107,738
Expenditures	118,706,361
Ending Balance	515,251

The Road Fund accounts for revenues dedicated to the planning, design, construction, and maintenance of roads in the unincorporated portion of the County. Principal revenue sources include a tax on unincorporated property in the county, a share of the State's gasoline tax, and capital project grants from the state and federal government. Despite the increased demands placed on the Road Fund, there has been sufficient revenue to support all of the projects listed in the Six-Year Transportation Improvement Program (TIP), due largely to revenue from extensive new development within the unincorporated area.

The Road Fund contains the budget for the design and engineering, and administrative functions of Public Works, including records and public information. Capital spending, chiefly for right-of-way acquisition, road construction and road overlays, accounts for 67 percent of the expenditures in this fund. The Road Fund also "buys" a significant amount of service from other County entities through internal service arrangements.

Mental Health Fund

Beginning Balance	\$9,979,345
Revenues	32,647,755
Expenditures	32,564,865
Ending Balance	10,062,235

This fund, administered by the Department of Community Services, accounts for the County's mental health programs. Major revenue sources include state grants and a dedicated, countywide property tax levy. State grant funding for mental health has increased dramatically over the last few years.

Community Development Fund

Beginning Balance	\$-2,268,158
Revenues	24,829,251
Expenditures	26,057,155
Ending Balance	-3,496,062

This fund accounts for the revenues and expenditures associated with land use planning, development review, and the enforcement of building and fire codes. In addition, the fund includes the revenues and expenditures of the Animal Control Division. Major revenue sources include building permits, planning fees, animal license fees, operating transfers from the General Fund and internal service payments from the Road Fund.

A 11.7% development fee surcharge was implemented for 2000 and continued for 2001 pending a rate. New fees were adopted for 2003/2004.

Clark Housing Investment Fund

Beginning Balance	\$177,505
Revenues	6,841,489
Expenditures	7,050,194
Ending Balance	-31,200

Programs within this fund assist in the development of viable communities by providing decent housing, principally for persons of low and moderate income. State and federal grant revenue is used to fund the Housing Rehabilitation, Home Weatherization, Energy Assistance, Community Development Block Grant and the HOME Investment Partnerships programs.

Special Law Enforcement Fund

Beginning Balance	\$396,966
Revenues	6,849,530
Expenditures	7,199,530
Ending Balance	46,966

The Special Law Enforcement Fund is intended to account for the proceeds of the 2/10 percent County sales tax which is dedicated to the provision of additional law enforcement personnel. All revenue from this tax flows into the Special Law Enforcement Fund.

Each year, an amount is transferred from this fund to the General Fund based on the costs of certain staff in the Sheriff's Office. Any remaining tax is retained in the Special Law Enforcement Fund as a reserve.

Youth and Family Resource Unit Fund

Beginning Balance	\$79,280
Revenues	1,265,968
Expenditures	1,345,248
Ending Balance	0

This fund is used to provide services that are prevention oriented and aimed at reducing violence to families and youth. Expenditures also fund community action programs that support emergency food and shelter services.

Substance Abuse Fund

Beginning Balance	\$89,772
Revenues	4,958,424
Expenditures	5,048,196
Ending Balance	0

This fund receives State and Federal grants to provide drug and alcohol abuse treatment and related services. These services are provided through contracts with private-sector providers. The fund is administered by the Department of Community Services.

County Fair Fund

Beginning Balance	\$-408,008
Revenues	6,185,579
Expenditures	5,647,854
Ending Balance	129,717

This fund accounts for the revenues and expenditures associated with the County Fairgrounds, including the annual Fair event. Revenues received by the Clark County Fair Association (which manages both the fair and the grounds) are deposited into this fund. Revenue sources include gate fees, parking fees, concession fees, and other miscellaneous sources. The fund has operated somewhat like a line of credit for the Fair Association.

Developmental Disability Fund

Beginning Balance	.....	\$258,952
Revenues	.....	5,514,230
Expenditures	.....	5,430,898
Ending Balance	.....	342,284

This fund accounts for grant and property tax revenues received to provide services to the developmentally disabled. Services are provided through contracts with private-sector providers. This fund is administered by the Department of Community Services.

Tri-Mountain Operating & Maintenance Fund

Beginning Balance	.....	\$208,564
Revenues	.....	2,326,064
Expenditures	.....	2,379,081
Ending Balance	.....	155,547

This fund was created in 1997 to account for the operating revenue and expenditures associated with the Tri-Mountain Golf Course, which was acquired in mid-1997 from the Port of Ridgefield. Major revenue sources include green fees, rental charges, and merchandise receipts. Expenditures are primarily payments to the operating vendor, Billy Casper Golf, for course maintenance services.

Geographic Information System (GIS) Services Fund

Beginning Balance	.....	\$241,909
Revenues	.....	2,965,064
Expenditures	.....	3,846,326
Ending Balance	.....	-639,353

This is a new fund created through the 1998 budget process to account for GIS service revenues and expenditures. These transactions were previously part of the General Fund. Separating GIS related revenue and expenditures from the General Fund will facilitate cost analysis and revenue tracking. The GIS Fund may ultimately be converted into an internal service fund.

Water Quality Fund

Beginning Balance	.....	\$-244,295
Revenues	.....	63,620
Expenditures	.....	0
Ending Balance	.....	-180,675

This fund accounts for revenues and expenditures associated with the County's water quality and storm water drainage programs (with the exception of those falling within the Burnt Bridge Creek utility). Principal revenue sources include state grants, internal transfers from the Road Fund and General Fund, inter-fund loans, and fees.

Auditor's Operations & Maintenance Fund

Beginning Balance	.....	\$739,636
Revenues	.....	471,814
Expenditures	.....	415,194
Ending Balance	.....	796,256

This fund, mandated by State law, accounts for certain revenues earmarked for the maintenance and preservation of public records. These revenue sources include a surcharge on the document recording fee and certain State shared revenue.

CRCA Emergency Services Communication Fund (911 Tax)

Beginning Balance	.....	\$-1,572,223
Revenues	.....	3,208,664
Expenditures	.....	4,228,728
Ending Balance	.....	-2,592,287

This fund accounts for a special telephone tax enacted by the voters of Clark County to improve the level of emergency communications services. The money in this fund is passed on to the Clark Regional Communications Agency (CRCA), where it finances Enhanced-911 service and Computer Aided Dispatching, and system replacement costs.

Narcotics Task Force Fund

Beginning Balance	.....	\$272,060
Revenues	.....	936,230
Expenditures	.....	962,173
Ending Balance	.....	246,117

This fund accounts for the revenues and expenditures associated with the joint Clark-Skamania Narcotics Task Force. This Task Force, which includes participation by both City and County law enforcement officials, is funded through asset seizure and grant revenues. Sheriff personnel assigned to the Task Force are funded through a transfer from the General Fund.

Child Abuse Intervention Center (CAIC) Fund

Beginning Balance	.....	\$97,448
Revenues	.....	783,363
Expenditures	.....	836,908
Ending Balance	.....	43,903

This fund supports the administrative, clerical, and support staff for the joint Vancouver-Clark County child abuse investigation and prosecution effort. Expenditures include supplies and office space rental and have historically been financed with State shared revenue received through an agreement with the City of Vancouver, as well as grant revenues. A portion of the General Fund cost of assigned Sheriff's deputies is now transferred to the CAIC fund.

Radio Communications Fund

Beginning Balance	.....	\$396,755
Revenues	.....	1,707,030
Expenditures	.....	1,178,925
Ending Balance	.....	924,860

This fund was established in 1997 to account for the operating budget of the 800 MHZ communications system. Clark County is the regional provider of radio and dispatch service, and as such, receives funding from both internal and external users to operate the 800 MHz Radio Communication System.

EMS Fund

Beginning Balance	.....	\$425,082
Revenues	.....	929,971
Expenditures	.....	757,604
Ending Balance	.....	597,449

The EMS Fund was created in 1995 to pay for contracted paramedic ambulance services. This separate fund was created in response to federal insurance regulations that require all revenues generated through fees and fines to go directly to patient care services.

Washington Energy Code Fund

Beginning Balance	.....	\$7,772
Revenues	.....	460
Expenditures	.....	0
Ending Balance	.....	8,232

This budget reflects a State funded program designed to encourage developers to construct energy efficient housing. It replaced the NW Energy Code Fund.

Community Services Administration and Grants Management Fund

Beginning Balance	.....	\$-187,931
Revenues	.....	11,428,153
Expenditures	.....	10,600,976
Ending Balance	.....	639,246

This fund is used to provide management and support for other Department of Community Services units, Clark County departments and the public. Services include administration, contract management, monitoring, and fiscal services.

Veterans' Assistance Fund

Beginning Balance	.....	\$1,628,314
Revenues	.....	574,712
Expenditures	.....	569,300
Ending Balance	.....	1,633,726

This fund accounts for the property tax levy dedicated by state law to veterans' assistance. This fund provides emergency financial assistance to veterans and their surviving spouses. In recent years, revenues have exceeded actual benefits paid out, resulting in the accumulation of a positive balance. This fund is administered by the Dept. of Community Services and is included in the "Community Services" line of the Budget By Fund table.

Weed Management Fund

Beginning Balance	.....	\$1,381
Revenues	.....	646,868
Expenditures	.....	647,965
Ending Balance	.....	284

This fund accounts for the activities of the County's Weed Management Program. The primary revenue source is a transfer from the General Fund. Additional revenues include fees paid by other agencies for weed assessments of newly acquired parcels of land, and State grants.

Victim/Witness Program Fund

Beginning Balance	.....	\$441,009
Revenues	.....	543,961
Expenditures	.....	600,925
Ending Balance	.....	384,045

This fund finances assistance to crime victims and witnesses. Revenues include penalties assessed against criminals and various grants. In 1995, the State Legislature changed the priority in which an offender pays fees, restitution, and other penalties. Crime victim and witness penalties are now below victim restitution in priority, resulting in a drop in revenue to the Victim Witness Fund. Revenue is anticipated to remain at the lower levels.

Sheriff's Special Revenue Fund

Beginning Balance	\$505,572
Revenues	230,135
Expenditures	300,000
Ending Balance	435,707

This fund accounts for asset seizure revenues accruing to Clark County through drug investigations. In addition, special donations received by the Sheriff's Office are deposited into this fund.

Special Purpose Paths Fund

Beginning Balance	\$11
Revenues	92
Expenditures	0
Ending Balance	103

This fund receives .5 percent of the gasoline tax revenue received by the County from the State to pay for the construction and maintenance of special purpose paths and trails. Since the County typically spends more than this amount on special purpose paths and trails, the revenue accumulated in this fund is transferred back to the Road Fund.

Permanent Reserve Fund

Beginning Balance	\$6,083,624
Revenues	0
Expenditures	3,000,000
Ending Balance	3,083,624

This fund represents the County's emergency operating reserve. The County has set a goal to maintain a balance of at least 6% of General Fund yearly expenditures. The 2003 beginning balance of \$6.1 million is 5.9 percent of annual General Fund costs. Expenditures for 2003 represent short-term borrowing for campus capital and will be paid off during 2003.

Northwest Energy Code Fund

Beginning Balance	\$1,485
Revenues	92
Expenditures	0
Ending Balance	1,577

This fund was closed in 1997 and was replaced with the Washington State Energy Code Fund (Fund 1028), and will receive only interest revenue in 2003. The balance will be transferred to the new fund at a later date to cover the cost of capital equipment for the Building Division.

CJA 0.1% Sales Tax Fund

Beginning Balance	\$341,286
Revenues	4,355,090
Expenditures	4,696,376
Ending Balance	0

This Fund was established with 1999/2000 adopted budget to track the newly enacted 1/10% Criminal Justice sales tax revenue. This tax revenue is dedicated to criminal justice uses with 10% allocated to early intervention for youth.

Children's System of Care

Beginning Balance	.....	\$-1,158,372
Revenues	.....	8,375,671
Expenditures	.....	5,097,157
Ending Balance	.....	2,120,142

This Fund was established during the 1999/2000 adopted budget to build on a system of care for children with serious emotional disabilities. Grant funding pays for the comprehensive service delivery infrastructure for children and adolescents linking participating service systems with common outcomes, shared information systems, shared resources, and rigorous evaluation and an integrated case management system.

Human Services Council

Beginning Balance	.....	\$97,273
Revenues	.....	987,780
Expenditures	.....	1,038,191
Ending Balance	.....	46,862

This Fund was established in 1999 to consolidate funding and operations of Ombudsman, Youth Investment, Volunteer Lawyers, and Community Choices formerly funded and operated by Clark County and City of Vancouver.

Antiprofitteering

Beginning Balance	.....	\$57,303
Revenues	.....	5,065
Expenditures	.....	0
Ending Balance	.....	62,368

This Fund was established to account for the proceeds of racketeering prosecutions. These funds are available to finance additional racketeering investigations and prosecutions.

Health Department

Beginning Balance	.....	\$1,521,369
Revenues	.....	29,641,007
Expenditures	.....	29,530,026
Ending Balance	.....	1,632,350

This fund was established in 2003/2004. Previously, the Health Department was a separate entity governed by a consortium of counties including Clark County. By agreement, the Health Department was consolidated and brought under direct jurisdiction of Clark County. The Department aims to preserve, promote and protect public health in the community.

Miscellaneous Grants

Beginning Balance	.....	\$-27,933
Revenues	.....	2,724,386
Expenditures	.....	2,696,453
Ending Balance	.....	0

This fund was created in 2002 for miscellaneous revenues and expenses. The primary initiatives currently are support services for individuals living with HIV disease and drug related prevention programs developed in conjunction with the county court system.

Weatherization/Energy

Beginning Balance	\$0
Revenues	4,128,432
Expenditures	4,119,658
Ending Balance	8,774

Created with the 03/04 budget, this fund focuses on weatherization and energy assistance. Funding is used for outreach and assistance to low income households for payment of energy costs and low-cost residential weatherization and other cost effective energy related home repair for long-term reduction of energy costs.

CHIF

Beginning Balance	\$313,597
Revenues	1,450,000
Expenditures	1,449,882
Ending Balance	313,715

Program resources are from the Clark Housing Investment Fund and State House Bill 1060. Initiatives are directed toward the production and support of affordable housing and the support of the operation of facilities providing shelter and housing for low income and homeless individuals and families.

Debt Service Funds

Debt Service funds are governmental-type funds which account for payments on the County's debt obligation.

General Obligation Bond Fund

Beginning Balance	\$81,569
Revenues	20,153,280
Expenditures	20,068,976
Ending Balance	165,873

This fund accounts for principal and interest payments on the County's general obligation bond debt. Payments are financed with transfers from the General Fund, Road Fund, Sanitary Wastewater Fund, Solid Waste Fund, County Fair Fund, Conservation Futures Fund, Real Estate Excise Tax Fund, Tri-Mountain Operations and Maintenance Fund, Building Construction Fund, and the 911 Tax Fund.

Capital Project Funds

Capital Project funds are governmental-type funds which account for the acquisition of capital equipment, land, and other major assets, as well as construction projects. The first seven funds listed below record the receipt of ongoing impact fees or tax revenues which are legally dedicated to a particular capital use (e.g., road projects or park projects). Other capital funds track an individual capital project. The County currently has 44 capital project funds.

Traffic Impact Fees (TIF Funds)

Beginning Balance	.....	\$1,320,311
Revenues	.....	4,549,208
Expenditures	.....	4,477,776
Ending Balance	.....	1,391,743

This category represents nine (9) funds which, for the purposes of reporting, have been combined into one category. They reflect revenues and expenditures from various traffic service areas. Dollars are transferred from these impact fee funds to the Road Fund and are used as matching funds for eligible road construction projects.

Real Estate Excise Tax (REET) Fund

Beginning Balance	.....	\$4,016,297
Revenues	.....	5,451,632
Expenditures	.....	6,567,432
Ending Balance	.....	2,900,497

This fund accounts for the proceeds of the primary Real Estate Excise Tax. Revenue is dedicated to financing capital projects identified in the County Comprehensive Plan. Expenditures for 2003/2004 include transfers to the debt service fund for specific bonded capital projects eligible for REET funding.

Conservation Futures Fund I

Beginning Balance	.....	\$ 6,724
Revenues	.....	3,407,711
Expenditures	.....	3,414,435
Ending Balance	.....	0

This fund accounts for a portion of the special county-wide property tax levy of \$0.0625 per \$1,000 of value which is dedicated to the acquisition of open space, sensitive lands, and lands intended to remain undeveloped. Expenditures support the first phase of an acquisition program begun with a 1994 bond sale.

Conservation Futures Fund II

Beginning Balance	.....	\$ 598,274
Revenues	.....	46,050
Expenditures	.....	0
Ending Balance	.....	644,324

This fund accounts for a portion of the special county-wide property tax levy of \$0.0625 per \$1,000 of value which is dedicated to the acquisition of open space, sensitive lands, and lands intended to remain undeveloped. Expenditures support phase II an acquisition program initiated in 1998 with a bond sale.

Park Impact Fee Funds (PIF Funds)

Beginning Balance	.....	\$4,893,627
Revenues	.....	4,122,803
Expenditures	.....	4,122,738
Ending Balance	.....	4,893,692

This category includes sixteen (16) separate funds which track revenues within the respective park districts. The City of Vancouver and the County Parks Departments consolidated into a single regional Parks Department in 1997. Dollars received in the PIF funds are now transferred to the City.

Parks Real Estate Excise Tax Fund

Beginning Balance	.....	\$ 12,544,560
Revenues	.....	6,089,682
Expenditures	.....	5,660,348
Ending Balance	.....	12,973,894

The Parks Real Estate Excise Tax Fund was established in 1997 to track the revenues and capital expenditures related to the one-quarter percent (0.25%) real estate excise tax. This tax is dedicated to funding parks development throughout the County. The majority of tax received into this fund is transferred to the City of Vancouver for urban park development.

County Cumulative Building Fund

Beginning Balance	.....	\$ 2,012,432
Revenues	.....	184,200
Expenditures	.....	400,000
Ending Balance	.....	1,796,632

Fund balance from the Real Estate Excise Tax (REET) is held in this fund for capital and as match for certain grants. Some funds will be transferred to the new Real Estate Excise Tax Fund (3056) to cover the costs of capital.

Jail Work Industries Fund

Beginning Balance	.....	\$267,035
Revenues	.....	7,965
Expenditures	.....	275,000
Ending Balance	.....	0

This fund was established in the 1998 to account for revenues and expenditures associated with the acquisition and improvement of the new Jail Industries Work Center. The project is completed. The balance of funds are being transferred to the Campus Development fund.

Building Construction Fund

Beginning Balance	.....	\$ 1,784,841
Revenues	.....	4,255,869
Expenditures	.....	3,379,780
Ending Balance	.....	2,660,930

This fund was created in the 1995 budget to separate the budgeting for capital buildings from equipment acquisitions and to accumulate reserves intended for future building construction. Transactions also include the revenue streams associated with funding debt on the Public Service Center.

Capital Acquisition Fund

Beginning Balance	.....	\$ 611,720
Revenues	.....	1,218,618
Expenditures	.....	1,345,128
Ending Balance	.....	485,210

This fund accounts for the purchase of a wide variety of capital assets, ranging from park land to office furniture. It is financed primarily by fund transfers from the General Fund and other funds, but may also receive grant funds or other revenues, depending upon the assets which are acquired.

Tri-Mountain Capital Fund

Beginning Balance	\$17,436
Revenues	6,907
Expenditures	0
Ending Balance	24,343

This fund was created in 1997 to account for the ongoing capital improvements to the course and supporting facilities. The Tri-Mountain Golf Course was acquired in mid-1997 from the Port of Ridgefield using proceeds of a general obligation bond offering. The 2003 beginning balance represents unexpended bond proceeds and operating transfers which will be used to further improve the course.

Water Quality Capital Fund

Beginning Balance	\$8,898
Revenues	4,309
Expenditures	0
Ending Balance	13,207

This fund provides for land acquisition, design, and construction of regional storm water control facilities. It also provides for rehabilitation of stream corridors through re-vegetation and habitat restoration. This fund will be closed in 2003, balance transferred to the Clean Water Fund.

Stadium/Convention Fund (Hotel / Motel Tax)

Beginning Balance	\$314,476
Revenues	463,025
Expenditures	715,000
Ending Balance	62,501

This fund receives the revenues generated by the County's room tax on hotels and motels in the unincorporated area. It is used to finance activities which stimulate tourism and the local economy.

Juvenile Expansion Capital Fund

Beginning Balance	\$80,000
Revenues	0
Expenditures	80,000
Ending Balance	0

This fund was established in 1997 to track the costs related to the Juvenile Justice Center expansion and the \$10 million bond that was issued in 1998 to finance project. The project was completed in 2002. Accumulated earnings will be transferred to the Campus Development fund.

Campus Development Fund

Beginning Balance	\$10,238,136
Revenues	3,498,100
Expenditures	13,084,301
Ending Balance	651,935

This fund was established in 2000 to track the costs related to the Public Service Center. This project will create additional courtroom's and offices and provide consolidated services which are currently housed in several leased offices. Funding will be through general obligation bonds with payment from real estate excise taxes, lease cost savings, and parking fees.

CAD/800 MHz System Replacement Fund

Beginning Balance	\$969,261
Revenues	448,901
Expenditures	2,780,990
Ending Balance	-1,362,828

This fund was established for 2001 to track the costs related to the replacement of existing 800 MHz System capital (E-911 service). Funding will be through transfers from the CRCA Emergency Services Fund for routine equipment replacements. Equipment replacements scheduled for later years has been moved forward to 2003. Debt of \$2.8 million will be issued for these purchases. 911 tax revenues will be used to pay debt service.

CVTV PEG Access Fund

Beginning Balance	\$126,623
Revenues	468,965
Expenditures	420,000
Ending Balance	175,588

This fund accounts for the collection of fees from the City of Vancouver/Clark County cable access provider. Use of the proceeds goes toward providing capital funding for cable access to the Public, Education community, and Government.

Economic Development REET II

Beginning Balance	\$353,731
Revenues	2,610,970
Expenditures	2,610,970
Ending Balance	353,731

This fund was created in 2002 after the County adopted the extension of the Parks Real Estate Excise Tax that was scheduled to sunset. In doing so, the County split the collection to go half to Parks program and created an economic development program funded by the second half. The purpose of the program is to encourage the development of infrastructure partnering with the private sector.

Health District Campus Facility

Beginning Balance	\$523,204
Revenues	0
Expenditures	0
Ending Balance	523,204

The County in conjunction with other non-profit social service providers are progressing with plans to consolidate services under one roof. Negotiations are proceeding with the Federal government to co-locate at the present Vancouver Barracks.

Information Reserve Fund

Beginning Balance	\$1,196,174
Revenues	2,251,400
Expenditures	2,000,000
Ending Balance	1,447,574

The County developed and had approved a Information Systems Strategic Plan to replace 20 year old "legacy" systems. These systems include the general ledger, HR/Payroll, CATS, and others. In 2002, the general ledger system was replaced with an Oracle based FMS system. For 2003, the HR system will be replaced. This fund accounts for these replacements. Funding is through cost savings.

Enterprise Funds

Enterprise funds are proprietary-type funds that account for operations intended to be substantially self-supporting through user charges or fees, similar to a private business. The County has eight such funds.

Solid Waste Fund

Beginning Balance	.....	\$ 5,073,121
Revenues	.....	4,535,464
Expenditures	.....	4,784,823
Ending Balance	.....	4,823,762

This fund accounts for the cost of administering the solid waste collection and disposal activities in the County, including waste reduction and recycling. Revenues are collected through a surcharge on garbage collection rates and curbside recycling fees. Recycling fees are passed through the County to an external service provider.

Salmon Creek Wastewater Collection System Fund

Beginning Balance	.....	\$ 0
Revenues	.....	345,489
Expenditures	.....	308,685
Ending Balance	.....	36,804

This fund accounts for the debt service payments for the Meadow Glade wastewater system and receives associated connection fees from Meadow Glade properties. It also pays debt service payments on the Public Works Trust Fund loan that applies to the Southridge School wastewater project, and receives associated payments from the Ridgefield School District.

Salmon Creek Wastewater Treatment Plant Operations Fund

Beginning Balance	.....	\$ 729,566
Revenues	.....	15,843,585
Expenditures	.....	14,197,621
Ending Balance	.....	2,375,530

This fund accounts for the operating costs and fee revenue related to the treatment plant and County-owned regional interceptor lines.

Salmon Creek Wastewater Treatment Plant Debt Fund

Beginning Balance	.....	\$ 131,317
Revenues	.....	8,950,722
Expenditures	.....	8,941,507
Ending Balance	.....	140,532

This fund makes debt service payments on revenue and general obligation bonds, and Public Works Trust Fund loans for to the treatment plant.

Salmon Creek Wastewater Treatment Plant Capital Fund

Beginning Balance	.....	\$ 4,800,285
Revenues	.....	7,480,783
Expenditures	.....	10,079,883
Ending Balance	.....	2,201,185

This fund tracks the expansion project at the treatment plant and the regional interceptor lines that handle wastewater from homes and businesses in the Hazel Dell, Battle Ground, Orchards, Meadow Glade, and Hockinson areas. The County is currently planning for the next phase of construction.

Salmon Creek Wastewater Plant Replacement Fund

Beginning Balance	.....	\$ 328,737
Revenues	.....	406,825
Expenditures	.....	380,000
Ending Balance	.....	355,562

This fund provides for major repairs and replacement of equipment and facilities at the treatment plant and for regional interceptors. The plant and interceptors must meet the requirements of the National Pollutant Discharge Elimination System (NPDES) permit under which the plant operates.

Burnt Bridge Creek Fund

Beginning Balance	.....	\$ 442,944
Revenues	.....	38,590
Expenditures	.....	0
Ending Balance	.....	481,534

This fund accounts for the cost of constructing and maintaining stormwater drainage facilities within the boundaries of the Burnt Bridge Creek Stormwater Drainage Utility. It is financed from fees charged to residences and businesses.

Clean Water Fund

Beginning Balance	.....	\$ 7,454,778
Revenues	.....	9,766,131
Expenditures	.....	9,485,366
Ending Balance	.....	7,735,543

This fund established in 2000 to provide a mechanism to collect, track, and budget revenues and expenditures related to Clark County's adopted Clean Water Ordinance. Fees are collected from County residents via formula to fund the maintenance and operation of drainage activities and capital infrastructure.

Internal Service Funds

Internal Service funds are proprietary-type funds that account for operations that provide services to other County departments. They receive support from these internal customers and, in some cases, from external customers by charging for services rendered. The County currently has twelve internal service funds.

Unemployment Insurance Fund

Beginning Balance	.....	\$2,943,794
Revenues	.....	953,620
Expenditures	.....	720,000
Ending Balance	.....	3,177,414

This fund is the County's self-insurance reserve for unemployment compensation. Revenues include contributions from all County funds which support payroll expenses; contributions are a fixed percentage of employee salaries. Expenditures represent the payment of claims and administrative fees to the State of Washington.

Elections Fund

Beginning Balance	\$611,754
Revenues	2,691,480
Expenditures	3,055,935
Ending Balance	247,299

This fund accounts for the cost of voter registration and conducting elections. Revenues include reimbursements from other jurisdictions for registration and election services and General Fund support.

General Liability Insurance Fund

Beginning Balance	\$3,870,828
Revenues	5,515,037
Expenditures	4,860,084
Ending Balance	4,525,781

This fund is the County's self-insurance reserve for general liability. Revenues include contributions from the General Fund, the Road Fund, and certain other County funds. Expenditures include payment of claims, settlements, and support for the cost of the Risk Management function within the General Fund.

Worker's Compensation Insurance

Beginning Balance	\$719,150
Revenues	1,512,780
Expenditures	1,473,866
Ending Balance	758,064

This fund is the County's self-insurance reserve for workers' compensation claims. Revenues include contributions from all County funds which support payroll expenses. Expenditures include claims paid and fees paid to the State.

Retirement/Benefits Reserve Fund

Beginning Balance	\$30,691
Revenues	881,483
Expenditures	912,174
Ending Balance	0

This fund was established in 1995 to reflect costs associated with LEOFF 1 retirement program members' medical costs. Revenues represent a transfer from the General Fund.

Equipment Rental and Revolving Fund

Beginning Balance	\$5,146,960
Revenues	19,910,724
Expenditures	18,450,960
Ending Balance	6,606,724

This fund owns, maintains, and replaces the County's fleet of vehicles and heavy equipment. It also purchases inventories of fuel, road rock, and road oil. Revenues are generated via vehicle and equipment rental charges and charges for inventory "sold" to other County operations.

Data Processing Equipment Rental and Revolving Fund

Beginning Balance	.....	\$545,012
Revenues	.....	3,239,647
Expenditures	.....	3,268,699
Ending Balance	.....	515,960

This fund owns, maintains, and replaces virtually all of the County's personal computers and related peripheral devices. Revenues in this fund are generated via rental charges paid by participating departments. Beginning in 2001, the rate charged to each department was based on an \$1,300 per PC. The rate was lowered for 03/04 to \$1,003.

Central Support Services

Beginning Balance	.....	\$-1,469,260
Revenues	.....	11,040,321
Expenditures	.....	11,330,937
Ending Balance	.....	-1,759,876

This fund accounts for the costs of maintaining County buildings, utilities (heat and electricity), and the operation of the County's central store of general office supplies. Revenues include building rents charged to non-County occupants, General Fund support, and charges for office supplies leased to County departments.

MDC & Radio ER&R Fund

Beginning Balance	.....	\$101,100
Revenues	.....	80,000
Expenditures	.....	80,000
Ending Balance	.....	101,100

New in 2001, this fund accounts for the repair and replacement of Mobile Data Terminals and 800 MHz radios utilized by the County Sheriff's Office. Revenues include one-time funding from the Equipment Rental & Revolving Fund and the Sheriff's Special Revenue Fund. On-going funding is through equipment rates. This will provide a systematic method of replacing equipment.

Major Maintenance Fund

Beginning Balance	.....	\$652,723
Revenues	.....	29,075
Expenditures	.....	0
Ending Balance	.....	681,798

This fund is established in 1998 to replace the Major Maintenance Reserve [Capital] Fund, thereby changing the designation to an internal service fund. Revenues are transferred from other County funds. Expenditures are primarily for building materials and supplies.

Commissary Trust Fund

Beginning Balance	.....	\$420,727
Revenues	.....	1,571,000
Expenditures	.....	1,571,000
Ending Balance	.....	420,727

This fund was established in 1998 to account for the personal property of individuals incarcerated in the County Jail. Any balance remaining in an individual's account is returned upon release.

BJA-Block Grant Trust Fund

Beginning Balance	.....	\$112,255
Revenues	.....	265,000
Expenditures	.....	0
Ending Balance	.....	377,255

This fund was established in 2003 to account for block grant receipts from the Department of Justice.